



The Florida House of Representatives

Office of the Speaker

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Florida House Appropriations Committee Passes 2011-12 Budget Bills

*Budget bills include reform of the Florida Retirement System and comprehensive deregulation
legislation designed to foster re-employment opportunities and empower private sector job
creation*

Tallahassee, Fla. – The Florida House of Representatives Appropriations Committee, chaired by Representative Denise Grimsley (R-Sebring), today passed the House proposed Fiscal Year (FY) 2011-12 General Appropriations Act (GAA) as well as a comprehensive list of related implementing bills and conforming bills.

“The Florida House crafted a realistic and responsible budget that offers achievable cuts in order to prioritize critical needs without raising taxes on families and businesses,” said House Speaker Cannon (R-Winter Park). “The House budget package ensures that we fulfill our constitutional responsibility to balance the state budget in the near-term, but also provides for future security through the preservation of our bond rating by setting aside adequate reserves.”

“This budget maintains our commitment to serving people over purchasing things,” said Representative Grimsley. “Our budget subcommittees solicited, received and utilized critical input from House members which guided our decision to focus limited financial resources on education, health care and public safety.”

The proposed GAA includes the projected savings that will result from changes to the Florida Retirement System (FRS). These changes include a 3 percent employee contribution to FRS, termination of the Deferred Retirement Option Program (DROP) for new enrollees, and an increase in the retirement age and related years of service requirement for new employees. Collectively, these changes to FRS are expected to save the state \$710 million in general revenue, and more than \$1.1 billion in savings to all participating FRS employers.

Also included in the proposed GAA are projected cost savings from comprehensive deregulation legislation. In many cases it costs the state more to regulate professions and businesses than the revenues generated by their respective fees. Deregulation legislation passed by the Appropriations Committee will reduce overhead costs for 114,511 currently licensed or registered private sector occupations and businesses by \$11.3 million associated with opening certain businesses or entering certain professions. This savings is the direct result of removing requirements for certain professionals and businesses to pay various fees and to submit applications and disclosures.

Budget Highlights:

- No increases to taxes or fees.
- Accounts for sufficient reserves to weather altered fiscal forecasts and to preserve bond ratings. Unallocated General Revenue, the Budget Stabilization Fund, and the Lawton Chiles Endowment should provide a total budget reserve that exceeds \$2.2 billion.
- Allocates the greatest percentage of the General Revenue allocation to K-12 education.
- Provides funding needed to maintain adult sentencing policies so as not to adversely impact public safety.
- Removes the clerks of court from the state budget.
- Restores Medically Needy for Adults and MEDS AD Programs.
- Fully funds anticipated growth in the Kidcare Program
- Provides funding for additional nursing home diversion slots.
- Fully restores community-based services for elders.
- Restores nonrecurring funding in the Department of Children and Families with general revenue for mental health and substance abuse services.
- Provides resources to address Agency for Persons with Disabilities waiver deficit.
- Includes funding for the Comprehensive Everglades Restoration Plan and the implementation of the Northern Everglades and Estuaries Program.
- Provides authority to spend funds from BP to conduct food safety testing and a high-visibility seafood marketing campaign.
- Funds the Transportation Work Program providing sufficient funding for the Port of Miami Dredging Project.
- Includes funding for maintenance, repair and replacement of fixed capital outlay across six State Veterans' facilities.

- Maintains adoption subsidies.
- Restores funding for Ounce of Prevention and Early Steps programs.
- Provides financial relief to fiscally constrained counties to offset reduction in ad valorem tax revenue.
- Ensures no reductions to the Department of Military Affairs.

For bill text and other information on the FY 2011-12 Budget, please visit www.MyFloridaHouse.gov.

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